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FISCAL IMPACT STATEMENT

LS 7013

BILL NUMBER: SB 232

NOTE PREPARED: Jan 1, 2011

BILL AMENDED:

SUBJECT: Public Mass Transportation Fund.

FIRST AUTHOR: Sen. Merritt

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL
DEDICATED
FEDERAL**

IMPACT: Local

Summary of Legislation: The bill provides that distributions from the Public Mass Transportation Fund (PMTF) for promoting and developing public mass transportation in a county containing a consolidated city must be distributed to the consolidated city and not to a public transportation corporation located within the county.

Effective Date: July 1, 2011.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: Money allocated to the Indianapolis from the PMTF would go to the City of Indianapolis, instead of the Indianapolis Transportation Corporation. Depending on the actions of the City of Indianapolis, the allocation of funds will have indeterminate fiscal impact on the Indianapolis Public Transportation Corporation.

Background: Under the FY 2010 - FY 2011 budget bill, funds from the PMTF are distributed to eligible grantees that provide public transportation in Indiana, and under the existing rules adopted by INDOT, an eligible recipient is a grantee that receives federal funds under the Federal Transit Act or that provides public transportation in Indiana.

The PMTF receives 0.67% of the state's Sales and Use Taxes to assist public transportation in the state. The grants may be used for capital or operating assistance or for nonfederal match money for federal grants.

PMTF distributes 12.34% of its revenue to the Northern Indiana Commuter Transportation District. Using the percentage of statewide operating expenses, the remainder is first allocated to four categories of systems: large fixed route, small fixed route, urban demand response, and rural demand response. Next, it is distributed to the systems within the categories: one-third based on passengers per operating expense, one-third based on miles per operating expense, and one-third based on locally derived income per operating expense. The following table shows the five-year PMTF allocation history for Indianapolis:

Year	Allocation
2007	\$9,628,888
2008	\$11,342,569
2009	\$11,631,612
2010	\$11,157,583
2011	\$10,612,174

Indianapolis Public Transportation Corporation *Consolidated Annual Financial Report* shows a loss from operations of \$53.3 M in CY 2009, and nonoperating revenue, including property and excise tax, of \$51.0 M.

State Agencies Affected:

Local Agencies Affected: Marion County.

Information Sources: Larry Buckel, INDOT; *Public Mass Transportation Fund Management Guide*, August 2008; http://www.indygo.net/PDF/reports/2009_annual_report.pdf.

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